

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House
(317) 232-9855

FISCAL IMPACT STATEMENT

LS 8210

BILL NUMBER: HB 1990

DATE PREPARED: Mar 5, 1999

BILL AMENDED: Mar 4, 1999

SUBJECT: Tax case procedures; Interim Committee.

FISCAL ANALYST: Bob Sigalow

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FUNDS AFFECTED: X **GENERAL**
DEDICATED
FEDERAL

IMPACT: State

Summary of Legislation: (Amended) This bill provides standards for the certification of a record of the proceedings before the State Board of Tax Commissioners to the Tax Court. It specifies procedures for cases in the Tax Court.

The bill provides that the State Board of Tax Commissioners may not restrict the ability of nonattorney representatives from presenting evidence to the State Tax Board or to the Property Tax Assessment Board of Appeals.

This bill also requests the Legislative Council to consider establishing a 14 member Interim Study Committee on Tax Court Issues. The bill describes the Committee's membership and duties and it provides that the Committee operates under the policies and procedures of the Legislative Council.

Effective Date: (Amended) July 1, 1999; January 1, 2000.

Explanation of State Expenditures: (Revised) Under current law, the Secretary of the State Tax Board must transmit a certified transcript of appeal proceedings to a court hearing an appeal of assessment. This proposal would instead require the Secretary to submit a certified record of proceedings to the Indiana Tax Court when the Tax Court hears an appeal. The record must include copies of all notices, petitions, motions, photos, other written documents, the administrative hearing transcript, and copies of exhibits and physical objects provided during the administrative hearing.

This provision could increase the Tax Board's administrative expense for trial preparation. Any additional expense would be absorbed in the Tax Board's current budget.

This bill would require that the Legislative Council determine whether to establish the Interim Study Committee on Tax Court Issues. The Committee would study various issues related to tax law and the

Indiana Tax Court.

If established, the Committee's fourteen members would include eight members of the General Assembly and six lay members. Each Committee member who is not a state employee or a member of the General Assembly may receive mileage reimbursement plus a \$50 salary per diem. Members of the General Assembly serving on the Committee would receive mileage reimbursement plus a salary per diem which is currently \$112. Legislative Council Resolution 1-98 establishes an annual budget of \$9,000 for such study committees. The Legislative Council would allot funds to the Committee from funds appropriated to the Council. The Legislative Services Agency would provide staff support.

Any fiscal impact regarding the Interim Study Committee on Tax Court Issues is contingent upon the Legislative Council's decision to establish the Committee.

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: State Board of Tax Commissioners; Indiana Tax Court; Legislative Services Agency.

Local Agencies Affected:

Information Sources: Tim Brooks, Secretary of the State Board of Tax Commissioners.